

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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THE ANNUITY, PENSION, WELFARE and APPRENTICESHIP
SKILL IMPROVEMENT AND SAFETY FUNDS of the
INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 137, 137A, 137B, 137C, 137R, AFL-CIO by its
Trustees EDWARD KELLY, JEFFREY LOUGHLIN, PETER
PATERNO, ROSS PEPE, NICHOLAS SIGNORELLI
and NICHOLAS SIGNORELLI, JR., and JOHN and JANE DOE,
as Beneficiaries of the ANNUITY, PENSION, WELFARE and
APPRENTICESHIP SKILL IMPROVEMENT AND SAFETY
FUNDS of the INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 137, 137A, 137B, 137C, 137R, AFL-CIO,

**STIPULATION OF
SETTLEMENT &
ORDER OF
DISCONTINUANCE**

07-CIV-5570 (SCR)

Plaintiffs,

-against-

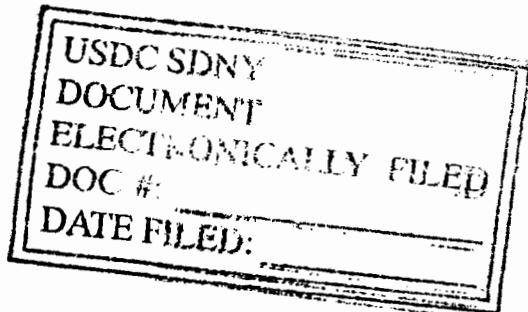
V.S. CONSTRUCTION CORP.,

Defendant.

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This Stipulation of Settlement is made by and between the parties hereto, to wit,
Plaintiffs, THE ANNUITY, PENSION, WELFARE and APPRENTICESHIP SKILL
IMPROVEMENT AND SAFETY FUNDS OF THE INTERNATIONAL UNION OF
OPERATING ENGINEERS (the "LOCAL 137 TRUST FUNDS") (hereinafter collectively
referred to as the "Plaintiffs"), and Defendant V.S. CONSTRUCTION CORP. ("V.S.
CONSTRUCTION").

WHEREAS, the Defendant is indebted to the various fringe benefit funds established for
the benefit of the members of LOCAL 137 and known as the LOCAL 137 TRUST FUNDS, for
unpaid contributions totaling \$195,050.96 for the period of March 1, 2006 through May 31,
2007; and



WHEREAS, the parties are desirous of resolving in this Stipulation of Settlement and Order of Discontinuance all disputes between them.

NOW THEREFORE, in consideration of the mutual promises set forth herein, and other good and valuable consideration, the parties hereto mutually agree as follows:

1. The Defendant acknowledges that the sum of \$195,050.96 along with interest thereon totaling \$17,854.04 calculated at 10% per annum for the eleven (11) month period of the payment plan detailed hereafter is justly due and owing to the Plaintiff LOCAL 137 TRUST FUNDS.

2. The Defendant agrees to pay the total sum of \$212,905.00 as follows:

- a. \$19,355.00 on or before the 1st day of September, 2007;
- b. \$19,355.00 on or before the 1st day of October, 2007;
- c. \$19,355.00 on or before the 1st day of November, 2007;
- d. \$19,355.00 on or before the 1st day of December, 2007;
- e. \$19,355.00 on or before the 1st day of January, 2008;
- f. \$19,355.00 on or before the 1st day of February, 2008;
- g. \$19,355.00 on or before the 1st day of March, 2008;
- h. \$19,355.00 on or before the 1st day of April, 2008;
- i. \$19,355.00 on or before the 1st day of May, 2008;
- j. \$19,355.00 on or before the 1st day of June, 2008; and
- k. \$19,355.00 on or before the 1st day of July, 2008.

3. Each payment shall be made in the form of a bank check made payable to the "LOCAL 137 JOINT FUNDS" and forwarded to Plaintiffs' counsel, James M. Steinberg, Esq., at Brady McGuire & Steinberg, P.C., 603 Warburton Avenue, Hastings-on-Hudson, New York 10706.

4. The Defendant, hereafter, agrees to remain current in the payment of all fringe benefit contributions owed on behalf of the LOCAL 137 members in its employ.

5. In the event of any default by the Defendant in the payment due under the provisions of this Stipulation, and provided that said default continues for a period of five (5)

days after notice to cure is sent to the Defendant *via* certified mail at 37 Croton Dam Road, Ossining, New York 10566, the Clerk of the United States District Court for the Southern District of New York is hereby authorized to enter judgment on the application of the Plaintiffs against the Defendant in the sum of \$212,905.00 and any accrued interest, less payments received plus liquidated damages calculated on the deficiency amount of \$39,010.19 at the rate of twenty percent (20%) as prescribed by ERISA, along with attorneys' fees in the amount of \$1,750.00, together with the costs and disbursements of this action.

6. In exchange for the prompt and full payments of the amounts identified herein, the Plaintiffs waive any claims for liquidated damages and additional attorneys' fees and disbursements of this action otherwise available under the Employee Retirement Income Security Act of 1974 unless the conditions articulated in paragraph 5 must be invoked.

7. This action is hereby settled as to the Defendant herein.

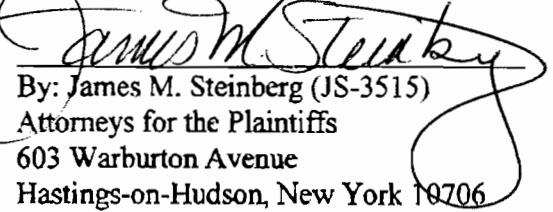
IT IS HEREBY FURTHER STIPULATED AND AGREED, by and between the undersigned, including the attorney of record for the Plaintiffs and the Defendant appearing pro se that whereas no party hereto is an infant or incompetent person for whom a committee has been appointed and no person not a party has an interest in the subject matter of this action, the above-captioned action shall be discontinued, without costs to either party as against the other, subject to reopening in the event of default or failure of any payment, term or condition agreed to, required or contained in this Stipulation of Settlement and Order of Discontinuance.

IT IS HEREBY IN ADDITION STIPULATED AND AGREED, by and between the undersigned, including the attorney of record for the Plaintiffs and the Defendant appearing pro se, that this Stipulation may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an

original and all of which taken together shall constitute but one and the same Stipulation.

Dated: Hastings-on-Hudson, New York
August 31, 2007

BRADY McGUIRE & STEINBERG, P.C.


By: James M. Steinberg (JS-3515)
Attorneys for the Plaintiffs
603 Warburton Avenue
Hastings-on-Hudson, New York 10706
(914) 478-4293

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 137, 137A, 137B, 137C
& 137R, ANNUITY, PENSION, WELFARE,
and APPRENTICESHIP SKILL
IMPROVEMENT & SAFETY FUNDS


By: Nicholas Signorelli, Trustee

V.S. CONSTRUCTION CORP.

By: Val Santucci
Title: President
EIN No. _____

SO ORDERED:

The Honorable Stephen C. Robinson

original and all of which taken together shall constitute but one and the same Stipulation.

Dated: Hastings-on-Hudson, New York
August 21, 2007

BRADY McGUIRE & STEINBERG, P.C.

By: James M. Steinberg (JS-3515)
Attorneys for the Plaintiffs
603 Warburton Avenue
Hastings-on-Hudson, New York 10706
(914) 478-4293

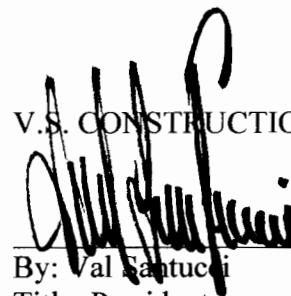
INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 137, 137A, 137B, 137C
& 137R, ANNUITY, PENSION, WELFARE,
and APPRENTICESHIP SKILL
IMPROVEMENT & SAFETY FUNDS

By: Nicholas Signorelli, Trustee

Caron C. Wood
SO ORDERED:
Stephen C. Robinson

The Honorable Stephen C. Robinson

9/12/07


V.S. CONSTRUCTION CORP.

By: Val Santucci
Title: President
EIN No. 13-3026846